

## REMARKS

The Office Action mailed December 10, 2003 has been carefully considered by the undersigned attorney on behalf of the inventors. Amendment to this application have been presented in response to the Office Action.

In that Office Action, the previously allowance of claims was withdrawn in view of newly discovered references (first paragraph), Claims 1 and 4-6 were rejected as being anticipated under 35 USC 102(e) by the Fano reference (second paragraph) and Claims 2, 3, 9, 10 and 14-21 were rejected as obvious under 35 USC 103(a) (on pages 4 through 6 of the Office Action) based on a combination of the teaching of the Fano patent with the teachings of the Carlton-Foss reference.

Applicants were disappointed by receiving new references cited and the new rejections of claims which had been allowed of this patent application. While applicants and their assignee are desirous of all relevant prior art being considered during the prosecution, it is preferable for all concerned that a complete search be done before the first Office Action and not piecemeal or seriatim so that the prosecution may be conducted expeditiously.

Applicants do note that the Office Action does not refer to the drawings. Since new formal drawings were submitted with a previous amendment, the Examiner is thanked for accepting these new formal drawings.

Reconsideration of this rejection of all pending claims (Claims 1, 3-6, 9, 10, and 14-21) is respectfully requested in view of the foregoing amendments and these remarks. It is submitted that the references fails to either disclose or suggest key portions of the invention, for example, using a portable unit with position information and an indication of whether to send the bid from

one bidder to another bidder to conduct a wireless auction with local merchants, as claimed in the pending claims.

The Fano patent does teach a PDA with a GPS system to allow a customized offer to be made to a user based on the items of interest stored on the PDA. The Carlton-Foss patent teaches a computer system conducting a reverse auction including a system for evaluating the bids and for transmitting information about the goods and bidders.

First, it is urged that there is no reason, short of applicant's own teaching, for combining the teaching of the Fano patent with that of the Carlton-Foss patent. The Office Action cites the advantage from Carlton-Foss that "it results in greater value for requestors as well as greater sales and broader distribution for sellers who are prepared to be competitive in their offerings. By incorporating an auction format, which is available to a wide audience by electronic means, the invention system results in more bidders, greater response, and hence lower costs and greater value for the requestor". However, all this says is that an auction may provide more bids and more sales, and it does not provide any inherent reason to combine it with any particular system, including the system described in the Fano patent. Further, the combination ignores the teachings (and claim limitations) from the applicants' application in which the communication is deliberately limited to those vendors within a local area, whereas the Carlton-Foss patent is an auction system which is conducted over the Internet to potentially vendors anywhere in the world.

The Carlton-Foss system further uses a computer to conduct the auction based on stored rules and algorithms, rather than displaying competing bids to a user who can then elect which bid he wishes to pursue. The Carlton-Foss system discusses the system receiving bids from various merchants and making various information about the bids available to authorized bidders

and requestors from the auction processor, but it does not teach allowing the consumer's system determine whether to provide the bids of one merchant to a second merchant (as shown in Figs. 5 and 6 and discussed in the association portion of the specification in connection with Figs. 5 and 6.).

Clearly the Carlton-Foss system is directed neither to a mobile system nor to a wireless system which would allow portability. It is further not directed to a limited geography, but, in fact, envisions use of the World Wide Web. Thus, to take one portion of the system relating to an auction and try to combine it with a completely different type of system distorts the teachings. In fact, it is urged that the general global nature of its teachings teaches away from a system in which a wireless portable device is used to determine a local area and to communicate only with local merchants.

Claim 1 calls for the mobile device to receive a user input indicating that information received from a first merchant is to be communicated to a second merchant in the local area. The Fano patent does not teach a system in which the user indicates what is communicated to whom and the Carlton-Foss system does not have limit the communications to a local area and does not have the user's system determine whether the information from one merchant is delivered to a second merchant.

Claims 3-6 depend from Claim 1 and add additional limitations on the system of Claim 1. For example, in Claim 3, the communication system is a short range wireless system which establishes the limited local area in which the merchants are located. In Claim 5, the limited local area for the communications is established by a Bluetooth specification system. In claim 6, the offer from a merchant is matched to the consumer preferences stored in the mobile device.

Claim 9 calls for an auction system in which the comparison of the offers occurs in the mobile device, while the consumer is located proximate to the merchants providing bids and for transmitting the details of an offer in response to the comparison in the mobile device. None of the references have a comparison in the mobile device and have the mobile device determine whether to transmit one merchant the details of a better deal.

Claim 14 as amended calls for receiving an input at a mobile device whether to communicate a bid from one bidder to another bidder. Neither the Fano patent nor the Carlton-Foss patent have such an input at the mobile device to indicate whether to send the bid out to others. Similarly, Claim 15 calls for transmitting the bid from one merchant to another based on receiving a customer input at the wireless device, and Claim 19 includes somewhat similar language. These independent claims are each urged to define a patentable invention over the art of record, and the claims which depend from them (Claims 16-18 and 20-21) are believed to be allowable because the independent claim is allowable.

Accordingly, it is urged that the independent claims of applicants' patent application each define over the cited art and are therefore allowable. In addition, the claims which depend from these independent claims are similarly believed to be allowable by depending from independent claims which are allowable.

The undersigned continues to agree with the previous Examiner that using a wireless device to receive a proposed offer from one merchant and transmit that offer to a second merchant is not taught or suggested in any of the prior art cited now or previously, including the Green et al. patent (previously cited) as well as the art cited in the present application..

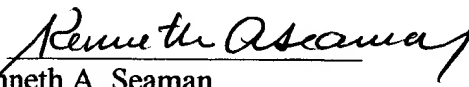
Accordingly, it is urged that all of the claims presently pending in this patent application (Claims 1, 3-6, 9, 10, and 14-21) patentably differentiate the present invention from the prior art which has been made of record and considered by the applicants and the Examiner.

Applicants and their attorney are interested in getting this patent application in condition for allowance, especially in view of the long pendency of this application and the several communications with the Office regarding amendments and discussion of the prior art. If applicants' attorney can assist the Examiner in getting this application in condition for allowance of all claims, a collect call to the undersigned is authorized at the Examiner's convenience.

Please charge the fees for this Amendment to Deposit Account 09-0452 in the name of International Business Machines Corporation. It is believed that no additional fee for this paper is required, since the number of claims or independent claims has not increased from the level of claims which had been previously paid for. However, if any additional fee is due in connection with the filing of this paper, including the fees for adding additional claims or for other patent application processing fees, the Patent Office is authorized to charge Deposit Account 09-0452

Respectfully submitted,

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